



USDA Tri-Agency Overview



Donated Food Program Basics

School Nutrition Association
2006 Annual National Conference
Los Angeles, Colorado



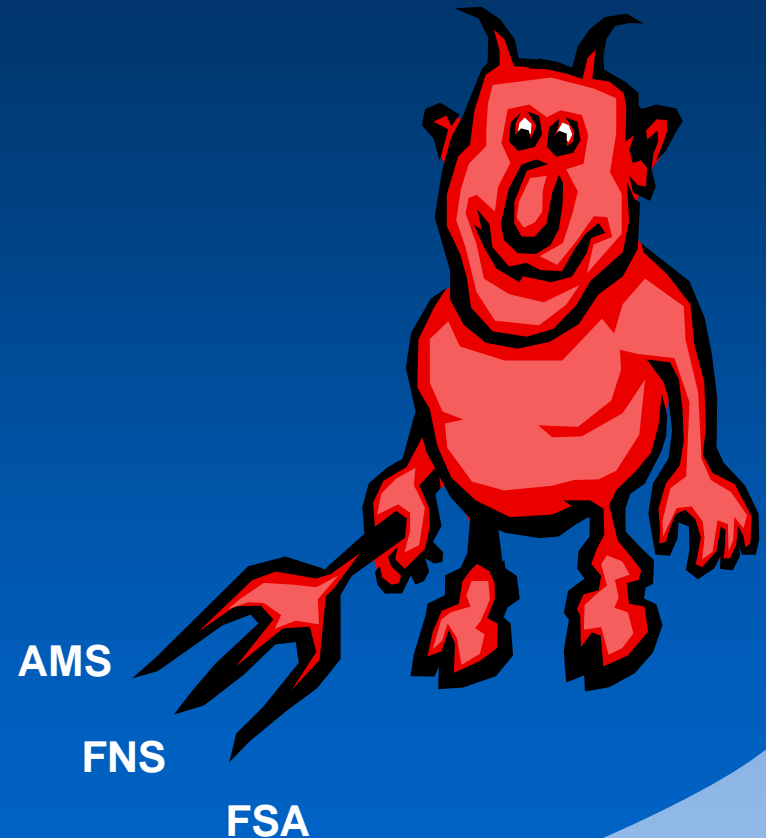
Commodity Programs

The devil is in the details!



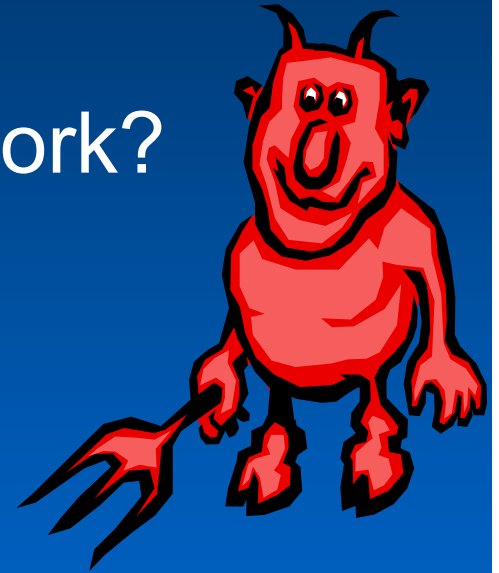
Questions about Commodities?

- What is the history of the commodity programs?
- Why does it take 3 USDA agencies to carry out these programs?
- Where can I find info on commodity programs?
- What types of commodities are purchased?

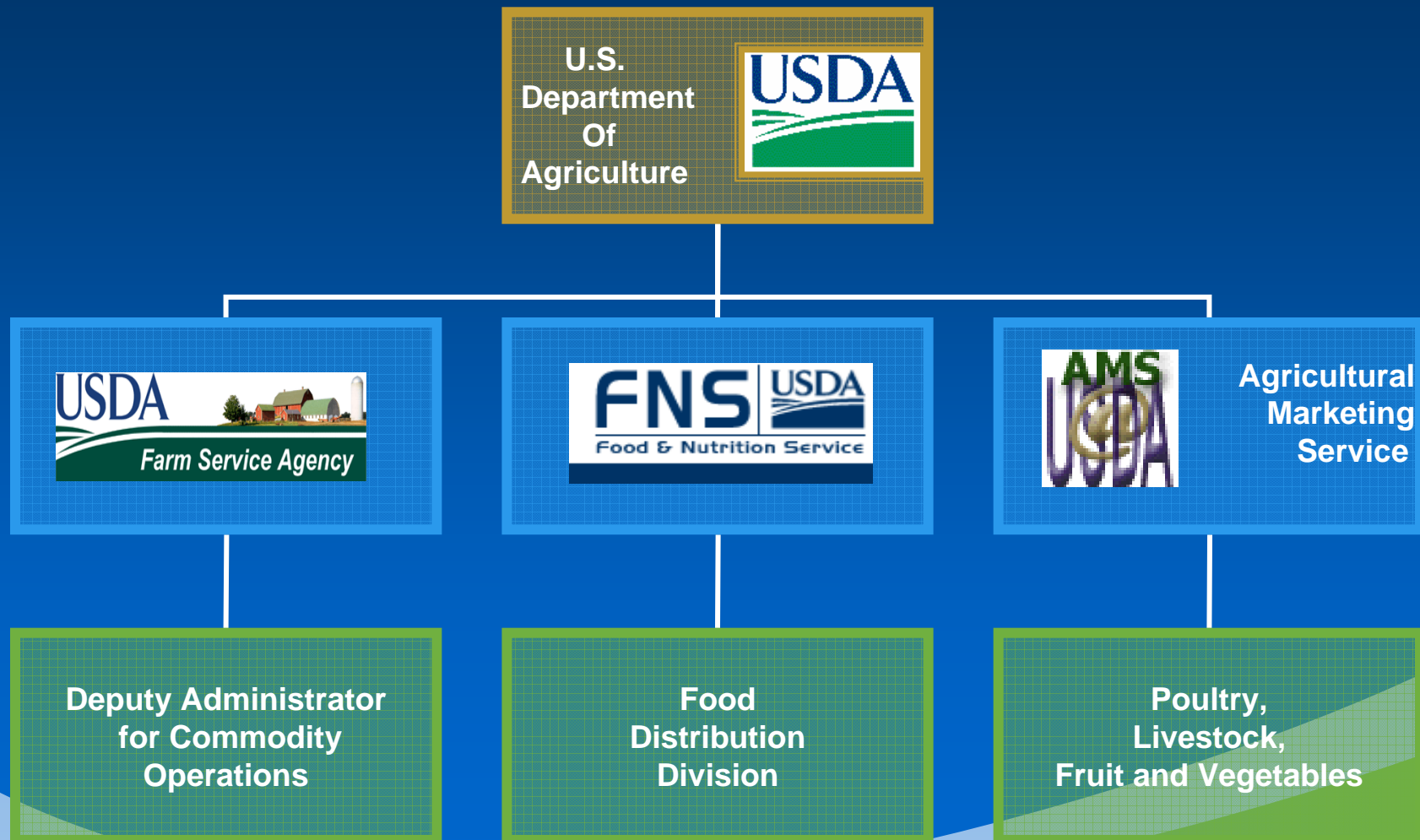


Questions about Commodities?

- How does the “Purchase Plan” work?
- What is entitlement v. bonus?
- What is “processing” all about?
- Who decides what foods will be purchased?
- How does “Buy American” apply?



The Tri-Agency Arrangement

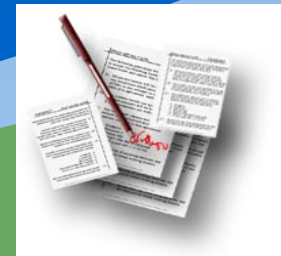


Tri-Agencies, States, Schools



THE PROCESS

- FNS works directly with State/local agencies to obtain & place food orders in accordance with authorized levels;
- Coordinates efforts with AMS/FSA, who handle:
 - Competitive vendor bids
 - Contract awards
 - Ensure delivery of purchases



AGENCY FUNCTIONS

- FNS' Food Distribution Division (FDD) administers USDA's commodity programs
- FDD works with AMS/FSA to plan annual commodity purchases based on:
 - Amount of \$\$ available by program
 - Market conditions

Program Basics

- AMS Purchases
 - Livestock
 - Fish
 - Poultry
 - Eggs
 - Fruits and vegetables



Program Basics

- FSA Purchases
 - Processed Products
 - Grain (flour, cornmeal, grits, pasta, cereals, crackers)
 - Miscellaneous (oil, peanut butter, rice)
 - Dairy (price support)



Commodity Web Information



Commodity Food Network (CFN)

www.commodityfoods.usda.gov



CFN Key Features



One-Stop Commodity Portal Gives Instant Access to:

- ECOS—USDA's Electronic Commodity Ordering System Key Partner websites and links—e.g. AMS, FNS, FSA, FSIS, ACDA, SNA, States, etc.
- Commodity Specifications, Commercial Item Descriptions, Commodity Fact Sheets for Schools
- Food Safety & Recall Updates Issued by FSIS and FDA
- Regulations, Public Laws, OMB Circulars, Forms, Fact Sheets, Policy Memos
- Foods Available List for All USDA Commodity Programs

..... And More!





United States Department of Agriculture Commodity Food Network



[1st time visitors](#) [about CFN](#) [programs](#) [resources](#) [news](#) [links](#) [contacts](#) [search](#) [AMS](#) [FNS](#) [FSA](#)

Quick Search

<----- Select and Go ----->

Find It

In the Spotlight

- ▶ [What's New](#)
- ▶ [News Connection](#)
- ▶ [FDA Recalls & Alerts](#)
- ▶ [FSIS Recalls](#)
- ▶ [www.Recalls.gov](#)
- ▶ [Top Stories](#)

USDA Agencies

- ▶ [Agricultural Marketing Service \(AMS\)](#)
- ▶ [Farm Service Agency \(FSA\)/Commodity Operations](#)
- ▶ [Food & Nutrition Service \(FNS\)/Food Distribution](#)
- ▶ [Food Safety & Inspection Service](#)

Other Partners

- ▶ [ACDA](#)
- ▶ [CFDA.Gov](#)
- ▶ [FirstGov.Gov](#)
- ▶ [FoodSafety.Gov](#)
- ▶ [GovBenefits.Gov](#)
- ▶ [SFSP.USDA.Gov](#)
- ▶ [SNA](#) (f.k.a. ASFSA)

NUTRITION.GOV

FIRSTGOV
Your First Click to the U.S. Government

Welcome to CFN

The USDA Commodity Food Network (CFN) is the first ever one-stop Federal website that provides direct access to all services and resources available for the USDA Commodity Food Distribution Programs

In the News



Programs

- [Food Distribution Programs Home Page](#)
- [Commodity Supplemental Food Program](#)
- [DoD Fresh Fruit and Vegetable Program](#)
- [FD Program on Indian Reservations](#)
- [Nutrition Services Incentive Program](#)
- [Schools and Child Nutrition Institutions](#)
- [State Processing Program](#)
- [The Emergency Food Assistance Program](#)
- [National Processing Agreement Program](#)

Navigation Tips

- ▶ [First Time Visitors Guide](#)
- ▶ [Quick Search](#)
- ▶ [Search By Agency / Topic](#)
- ▶ [Browse by Resources Main Menu](#)

ECOS



**Electronic Commodity
Ordering System**



Your Online Resource for
Recalls and Food Safety
Information

Featured Topics

- ▶ [Acronyms](#)
- ▶ [Applicant Eligibility](#)
- ▶ [Business/Industry](#)
- ▶ [Commercial Item Descriptions](#)
- ▶ [Commodity Codes](#)
- ▶ [Commodity Complaints/Hotlines](#)
- ▶ [Contacts \(Fed./State\)](#)
- ▶ [Disaster Assistance](#)
- ▶ [ECOS Modifications](#)
- ▶ [Fact Sheets](#)
- ▶ [FD National Policies](#)
- ▶ [FOCUS Website](#)
- ▶ [Foods Available](#)
- ▶ [Food Ordering/ECOS](#)
- ▶ [Food Purchasing](#)
- ▶ [Food Safety/Recalls](#)
- ▶ [NPA Home](#)
- ▶ [Power Point](#)
- ▶ [Recipe Exchange](#)
- ▶ [Regulations/Circulars](#)
- ▶ [Schools/CNPs](#)
- ▶ [Specifications](#)
- ▶ [State/ITO Websites](#)

Commodity Programs

- ▶ [Food Distribution](#)
- ▶ [Beef/Fish/Pork](#)
- ▶ [Fruit & Vegetable](#)
- ▶ [Dairy Products](#)
- ▶ [Domestic Processed Products](#)
- ▶ [National Organic Program](#)
- ▶ [Poultry & Eggs](#)



Web Site Accessibility

AMS

Commodity Programs Web Pages

- Livestock and Seed

<http://www.ams.usda.gov/lscp/index.htm>

- Fruit and Vegetable

<http://www.ams.usda.gov/fv/fvcomm.htm>

- Poultry

<http://www.ams.usda.gov/poultry/pycom.htm>

FSA Commodity Web Page

<http://www.fsa.usda.gov/daco/procure.htm>

Farm Service Agency

News Room | About Us | Services | Offices | Online Forms | Help

Online
Quick Search

Navigation

- Commodity Operations Home Page
- Site Map
- Procurement Information
- Vendor Qualification Requirements
- Reports: Sales, Prices & Data
- Notices to the Trade
- Freedom of Information Act
- FAQ's
- Contacts
- Comments/Suggestions
- E-mail subscription
- About DACO
- PROGRAM ACTIVITY**
 - Bioenergy
 - Bulk Commodities
 - Contract Reconciliation
 - Cotton
 - Dairy Operations

Commodity Operations
[FSA Home Page](#) > [Services](#) > [Commodity Operations Home Page](#) > Procurement Information



Procurement Information

The Kansas City Commodity Office of the Farm Service Agency issues invitations to the public to purchase commodities and related durable goods. Additionally, we utilize transportation and warehouse services across the country. Below you will find the information needed to make offers for potential contracts.

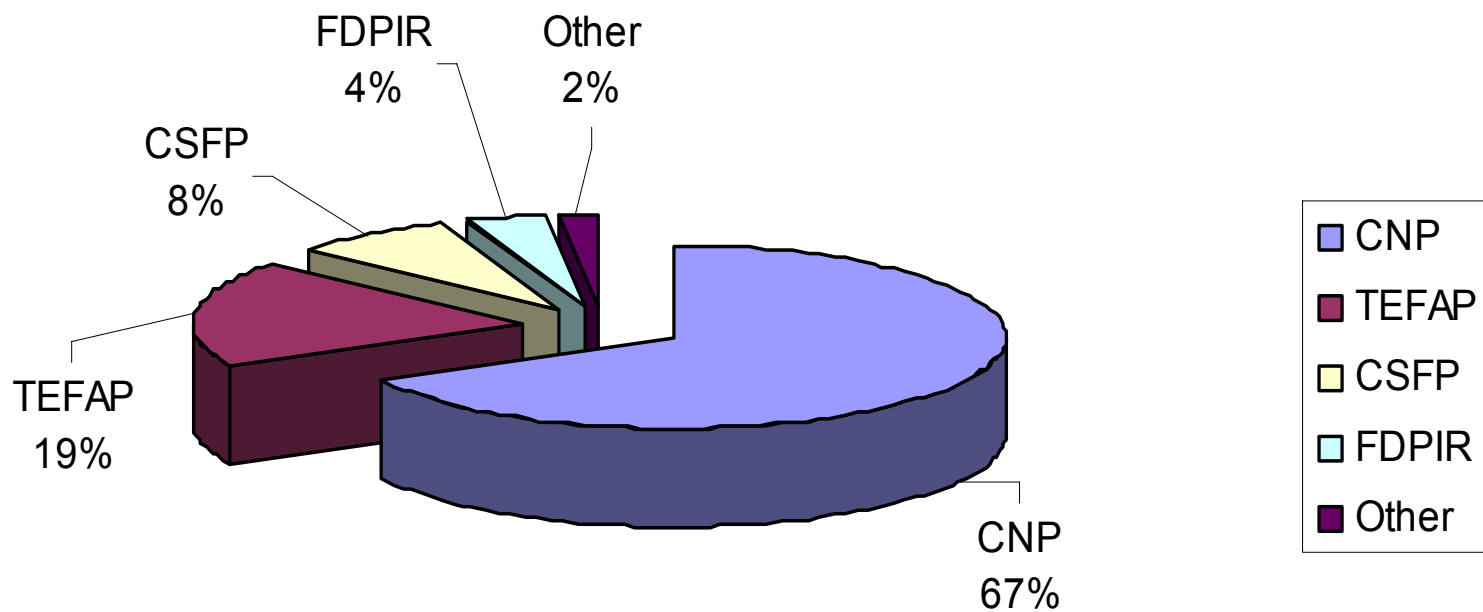
(All PDF files require [Adobe Acrobat Reader](#).)

- [Vendor Qualification Requirements](#)
-  [Master Solicitation for Commodity Procurements](#) effective for solicitations issued after September 1, 2005 updated 03/01/06
-  [Commodity Requirements](#) effective for solicitations issued after September 1, 2005

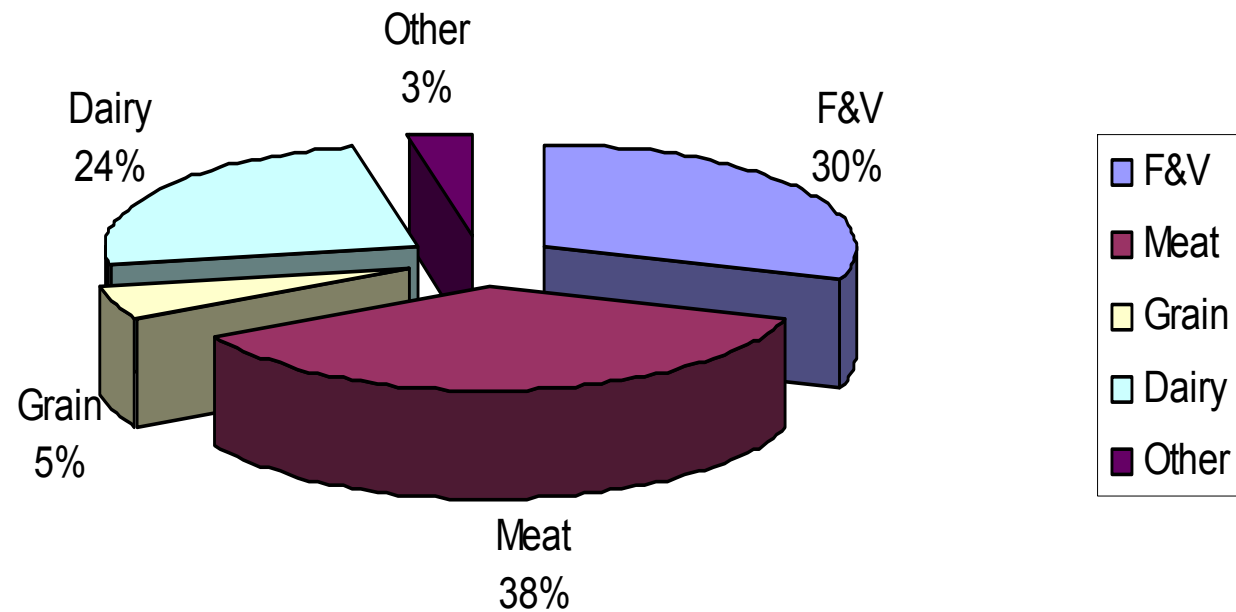
COMMODITY PROGRAM FACTS

- Distributes over 1.9 billion pounds of food worth \$1.5 billion
- Serves about 98,000 public and non-profit private schools as well as organizations feeding the needy
- Over 145 commodity foods
- Many foods are purchased in ready-to-use form, but some are purchased in bulk quantities and further processed
- All products are not available in all programs

DOLLARS SPENT BY PROGRAM FY 2005



DOLLARS SPENT BY COMMODITY TYPE FY 2005



PURCHASE PLAN

FDD works with AMS to plan annual commodity purchases, based on the amount of money available in each program and on market conditions.

HOW IT WORKS

- **Announcements are made by each program of USDA's intention to buy**
- **Invitations are issued for bids**
- **Contracts are awarded**
- **Products are delivered to State designated location** (*warehouse, commercial processor, or commercial distributor*)

ENTITLEMENT v. BONUS

“Entitlement” Commodities

- By law, States can order a certain amount of food each year for schools that participate in the NSLP.
- The amount is based on an annual per meal reimbursement rate.
- SY 2005-2006 rate was 17.50¢ for each lunch served.
- The rate is recalculated and published in July.



ENTITLEMENT v. BONUS

“Bonus” Commodities

- **Distributed to schools and outlets that serve needy families during the year as they become available.**
- **Made available to schools in addition to those provided as an entitlement.**
- **Products that USDA buys through its price support and surplus removal programs.**

Bonus Commodities

Products Offered to schools in 2006:

- **Cherries, Frozen**
- **Sweet Potatoes**
- **Crushed Pineapple, Canned**
- **Dry Beans**



Bonus Commodities

Bonus Purchases for TEFAP in 2006

- Canned sweet potatoes
- Grape juice
- Dried cherries
- Fig pieces
- Dry beans



Commodity Processing



Our Processing Philosophy...

- Commodity dollars go further with USDA bulk purchases for direct diversion
- School district's processor can meet individual needs
 - ✓ Consistent finished products
 - ✓ Quantities that work in their district
 - ✓ When needed throughout the year
- USDA purchases of further processed products have been called restrictive and disruptive



National Processing Agreements

What does it mean?

- ◆ Processors & FNS enter into National Agreement
- ◆ FNS holds a single bond for each vendor
- ◆ FNS reviews and approves all EPDS
- ◆ States enter into State Agreement with Processor



Program Initiatives

- Small Business Set-Asides
- Increase bulk products for processing
- Improve On-Time Delivery Stat's



QUESTIONS AND
CLARIFICATIONS?